

DEPARTMENT OF BENEFIT PAYMENTS

744 P Street, Sacramento, CA 95814
916/445-7046



April 25, 1978

ALL-COUNTY LETTER NO. 78-14 (Fin. Mgt. Services)

TO: ALL COUNTY WELFARE DIRECTORS
WELFARE FISCAL SUPERVISORS
COUNTY AUDITORS
ADMINISTRATIVE SERVICES OFFICERS

SUBJECT: Umbrella/Super Agency ICRP

REFERENCE: All-County Letter 77-40

This is to advise you that previous claiming instructions on Umbrella/Super Agencies issued in All-County Letter 77-40 have been revised.

Effective July 1, 1978, all counties having Super Agency or Umbrella type organizational structures encompassing the county welfare department must have prior approval of the Umbrella Agency costs before claiming Federal and State funding. All costs claimed by Umbrella/Super agency counties must be developed via an agency indirect cost rate proposal (ICRP). These county ICRPs must be submitted annually to the Department of Health, Education, and Welfare (DHEW), Division of Cost Allocation (DCA), for approval with a copy sent to the Department of Benefit Payments (DBP), Financial Management Services Branch. DBP will review the ICRPs concurrently with DCA and will provide technical assistance to the counties during the initial development of the proposals. Within 45 days of the submission date, DBP will provide DCA with comments and recommendations regarding the county's ICRP. DCA will be responsible for negotiating and resolving issues with the county. Once this is completed, DCA will issue a formal agreement to the county.

In some counties, the Umbrella/Super Agency may provide very little, if any, day-to-day administrative support to program operations in the welfare department. Thus, once the county's ICRP has been approved for the first year, consideration will be given to allowing welfare to include agency level costs in the countywide cost allocation plan for subsequent years.

Counties wishing to claim Umbrella/Super Agency costs should submit their ICRPs on or before January 1 of the year prior to the fiscal year they are to be used. The ICRPs should cover State fiscal year periods. Only those costs of

the Super Agency applicable to welfare as determined by an approved ICRP are reimbursable. Action on the counties' requests for approval will be taken by DCA in ample time to allow claiming (if approved) at the beginning of each fiscal year. DBP will provide for the identification of Super Agency costs to be claimed through the plan on the September 1978 quarter claim format.

Counties should submit their Umbrella/Super Agency ICRPs to:

Mr. David Low, Director
Division of Cost Allocation
DHEW
50 United Nations Plaza, Room 53
San Francisco, CA 94102

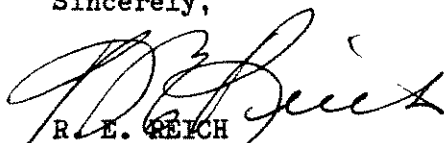
Attention Richard Onstad

AND


Department of Benefit Payments
Financial Management Services Branch
Financial Planning Section
744 P Street, M.S. 13-77
Sacramento, CA 95814

If you have any questions concerning the information above, please contact either Judy Thompson, Laura Williams, or Mark Salomon or your county fiscal representative at 916/445-7046.

Sincerely,


R. E. REICH
Deputy Director

Concurrence:



DAVID LOW, Director
Division of Cost Allocation
DHEW, Region IX

cc: CWDA